



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

May 26, 1999

Eric W. Bloom, Esq.
Winston & Strawn
1400 L. Street, N.W.
Washington, D.C. 20005

RE: MUR 4884
Future Tech International, Inc.
Leonard Keller
Juan M. Ortiz
Louis Leonardo
Gregorio P. Narvasa

Dear Mr. Bloom:

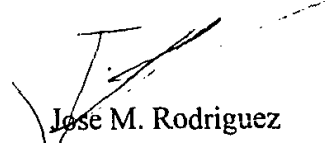
On May 19, 1999, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted by your client Future Tech International, Inc. and Messrs. Keller, Ortiz, Leonardo and Narvasa in settlement of violations of 2 U.S.C. §§ 441b(a), 441f and 441e, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to above named respondents.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

You are advised that investigation in this matter is ongoing and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter. The Commission will notify you when the entire file has been closed. Consistent with our conversation of May 20th, we await receipt of all information in your client's possession, and in the possession of the above named corporate officers, concerning the solicitation of the contributions at issue.

Enclosed you will find a copy of the fully executed conciliation agreement for your files.
If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Jose M. Rodriguez
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Future Tech International, Inc.
Leonard Keller, Secretary and Director
Juan M. Ortiz, Chief Financial Officer
Louis Leonardo, President
Gregorio P. Narvasa, Treasurer

MUR: 4884

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COMMISSION
OFFICE OF GENERAL
COUNSEL
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CONCILIATION AGREEMENT

This matter was initiated by a *sua sponte* submission by Future Tech International, Inc. The Federal Election Commission ("Commission") found reason to believe that Future Tech International, Inc. violated 2 U.S.C. § 441e. The Commission additionally found reason to believe that Future Tech International, Inc. and certain officers knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

Individuals and Entities

1. Future Tech International, Inc. ("Future Tech") is a closely held corporation headquartered and incorporated in Miami, Florida, engaged primarily in the business of distributing computer components and peripherals principally to clients in South America.
2. Mark B. Jimenez (a.k.a. Mario Batacan Crespo) was at all times relevant hereto the Chief Executive Officer ("CEO") of Future Tech, a Director of Future Tech and the majority stockholder of Future Tech.
3. MarkVision Holdings, Inc. ("MarkVision Holdings") is a company headquartered in the British Virgin Islands with a branch office in Miami, Florida. During all times relevant hereto, Mark B. Jimenez exercised substantial control over the operations of MarkVision Holdings and the disposition of its assets.
4. MarkVision Computers, Inc. ("MarkVision Computers") is a company headquartered and incorporated in Miami, Florida. During all times relevant hereto, Mark B. Jimenez, through his relationship with MarkVision Computers' corporate officers, exercised substantial control over the operations of MarkVision Computers and the disposition of its assets.
5. Prior to July 1994, Mark B. Jimenez was a national of the Republic of the Philippines, and therefore a foreign national pursuant to 2 U.S.C. § 441e(b)(1).
6. Leonard Keller was at all times relevant hereto the Secretary of Future Tech and a Director of Future Tech.

7. Juan M. Ortiz was at all times relevant hereto the Chief Financial Officer ("CFO") of Future Tech.
8. Louis Leonardo was at all times relevant hereto the President of Future Tech.
9. Gregorio P. Narvasa was at all times relevant hereto the Treasurer of Future Tech.
10. The Democratic National Committee ("DNC") is a political committee within the meaning of 2 U.S.C. §§ 431(4) and 431(14).
11. Senator Edward M. Kennedy was a candidate for federal office in the 1994 federal elections. The Committee to Reelect Senator Edward M. Kennedy '94 was the candidate's designated principal campaign committee pursuant to 2 U.S.C. § 431(5).
12. Anne Henry was a candidate for federal office in the 1996 federal elections. Anne Henry for Congress was the candidate's designated principal campaign committee pursuant to 2 U.S.C. § 431(5).
13. Roger H. Bedford was a candidate for federal office in the 1996 federal elections. Roger H. Bedford for U.S. Senate was the candidate's designated principal campaign committee pursuant to 2 U.S.C. § 431(5).
14. Tom L. Strickland was a candidate for federal office in the 1996 federal elections. Friends of Tom Strickland was the candidate's designated principal campaign committee pursuant to 2 U.S.C. § 431(5).
15. Robert G. Torricelli was a candidate for federal office in the 1996 federal elections. Torricelli for U.S. Senate was the candidate's designated principal campaign committee pursuant to 2 U.S.C. § 431(5).

16. President William Jefferson Clinton and Vice President Albert Gore, Jr. were candidates for federal office in the 1996 federal elections. Clinton/Gore '96 Primary Committee was the candidates' designated principal campaign committee pursuant to 2 U.S.C. § 431(5).

Foreign National Contributions

17. The Federal Election Campaign Act of 1971, as amended ("the Act"), sets forth limitations and prohibitions on the type of funds which may be used in elections. Section 441e states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with an election to any local, state or federal political office. 2 U.S.C. § 441e(a).
18. The prohibition against foreign national contributions is further detailed in the Commission's Regulations at 11 C.F.R. § 110.4(a)(3). This provision states that a foreign national shall not direct, dictate, control, or directly or indirectly participate in the decision-making process of any person, such as a corporation, with regard to such person's federal or non-federal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, state, or federal office or decisions concerning the administration of a political committee.
19. On May 10, 1993, Future Tech made two separate contributions of \$5,000 each to the DNC's non-federal account.
20. These 1993 contributions were made under the direction of Future Tech's CEO and Chairman, Mark B. Jimenez.

21. On March 24, 1994, Future Tech made two separate contributions of \$50,000 each to the DNC's non-federal account.
22. These 1994 contributions were made under the direction of Future Tech's CEO and Chairman, Mark B. Jimenez.
23. Mark B. Jimenez at the time of the above contributions was a national of the Republic of the Philippines, and therefore a foreign national pursuant to 2 U.S.C. § 441e(b)(1).
24. Accordingly, the combined \$110,000 in contributions made by Future Tech to the DNC in 1993 and 1994 were foreign national contributions in violation of 2 U.S.C. § 441e.

Corporate Contributions
Contributions in the Name of Another

25. The Act prohibits corporations from making contributions or expenditures in connection with any election to any federal political office, or for any officer or director to consent to any such contributions or expenditures by the corporation. 2 U.S.C. § 441b(a).
26. The Act further prohibits any person from making a contribution in the name of another person, knowingly permitting their name to be used to effect such a contribution, or knowingly accepting a contribution made by one person in the name of another person. 2 U.S.C. § 441f. For purposes of Section 441f, a person includes a corporation. 2 U.S.C. § 431(11).
27. The Act addresses knowing and willful violations. 2 U.S.C. §§ 437g(a)(5)(C), (6)(C), and 437g(d). "Knowing and willful" actions are those that were "taken

with full knowledge of all the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976). The knowing and willful standard requires knowledge that one is violating the law. FEC v. John A. Dramesi for Congress, 640 F.Supp. 985 (D.N.J. 1986).

28. From approximately September 1994 through approximately November 1996, Future Tech devised and executed a scheme whereby corporate funds belonging to Future Tech and MarkVision Computers would be used to make contributions to candidates for federal offices by means of conduit transactions employing the names of various employees of Future Tech, MarkVision Holdings and MarkVision Computers.
29. Pursuant to the established conduit scheme, Mark B. Jimenez identified candidates whom Future Tech would support, and thereafter solicited or instructed others to solicit, contributions from employees of Future Tech, MarkVision Holdings and MarkVision Computers.
30. From approximately September 1994 through approximately May 1996, Future Tech reimbursed conduit employee contributions to federal candidates with corporate funds from the payroll accounts of Future Tech and related entities. These reimbursements were identified as bonuses or other forms of salary compensation to the conduit employees.
31. The employee contributions reimbursed in this manner were made to the following candidate committees in the following amounts:

Committee to Reelect Senator Edward M. Kennedy '94	-- \$6,000
Clinton/Gore '96 Primary Committee	-- \$23,000

32. In approximately May 1996 various conduit employees received inquiries from newspaper reporters concerning their contributions to the Clinton/Gore '96 Primary Committee.
33. After these news inquiries, Future Tech, with the participation of certain of its officers, modified the manner in which it reimbursed the conduit employees to a cash method.
34. Pursuant to the cash reimbursement method, Future Tech's Treasurer Gregorio P. Narvasa exchanged personal checks provided to him by Future Tech's CEO Mark B. Jimenez for cash available at Future Tech.
35. Future Tech's Treasurer Gregorio P. Narvasa distributed the cash to the conduit employees in reimbursement of their contributions.
36. The employee contributions reimbursed in this manner were made to the following committees in the following amounts:
- | | |
|----------------------------------|------------|
| Anne Henry for Congress | -- \$2,000 |
| Roger H. Bedford for U.S. Senate | -- \$4,000 |
| Friends of Tom Strickland | -- \$2,000 |
| Torricelli for U.S. Senate | -- \$2,500 |
37. Future Tech officers Juan M. Ortiz, Louis Leonardo, Leonard Keller and Gregorio P. Narvasa each consented to at least one reimbursement of conduit employee contributions described at paragraphs 28 through 36 above.
38. Future Tech officers Juan M. Ortiz, Louis Leonardo and Gregorio P. Narvasa each also were reimbursed by Future Tech for contributions made in their names to federal candidate committees.

39. Future Tech officers, Louis Leonardo, Leonard Keller and Gregorio P.

Narvasa contend that they did not act with the understanding that their activities in furtherance of Future Tech's established conduit scheme were in violation of the Act.

40. The combined \$39,500 in employee contributions reimbursed by Future Tech and its officers were conduit contributions in violation of 2 U.S.C. § 441f.

41. Approximately \$29,000 in conduit employee reimbursements originated from corporate accounts at Future Tech or related entities, in violation of 2 U.S.C. § 441b(a).

V. Respondents admit the following:

- a. Future Tech International, Inc. made a combined \$110,000 in foreign national contributions, in violation of 2 U.S.C. § 441e.
- b. Future Tech International, Inc. contributed approximately \$39,500 in the name of another, in knowing and willful violation of 2 U.S.C. §§ 441b(a) and 441f.
- c. Leonard Keller consented to the making by Future Tech International, Inc. of at least one contribution in the name of another, in violation of 2 U.S.C. §§ 441b(a) and 441f.
- d. Juan M. Ortiz consented to the making by Future Tech International, Inc. of certain contributions to the Clinton/Gore campaign in 1995 in the name of another, in knowing and willful violation of 2 U.S.C. §§ 441b(a) and 441f.

- e. Louis Leonardo consented to the making by Future Tech International, Inc. of at least one contribution in the name of another, in violation of 2 U.S.C. §§ 441b(a) and 441f.
- f. Gregorio P. Narvasa consented to the making by Future Tech International, Inc. of at least one contribution in the name of another, in violation of 2 U.S.C. §§ 441b(a) and 441f.
- g. Juan M. Ortiz, Louis Leonardo and Gregorio P. Narvasa allowed their names to be used by Future Tech to make federal contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Nine Thousand Dollars (\$209,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that to the extent additional information is discovered of violations of the Act by Respondents arising from contributions made by the Future Tech International, Inc., or any related corporations or employees thereof, the Commission shall be free to pursue civil enforcement of all such violations otherwise barred by the five-year statute of limitations at 28 U.S.C. § 2462.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

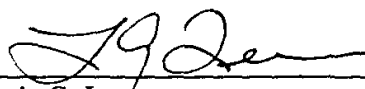
IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

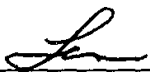
FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

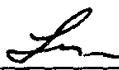
BY: 
Lois G. Lerner
Associate General Counsel

5/25/99
Date


FOR THE RESPONDENTS:


Future Tech International, Inc.
by: LEONARD J. KELLER

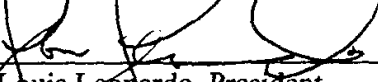
4/29/99
Date


Leonard Keller, Secretary and Director

4-29-99
Date


Juan M. Ortiz, Chief Financial Officer

4/29/99
Date


Louis Leonardo, President

4/29/99
Date


Gregorio P. Narvasa, Treasurer

4/29/99
Date